

May 21, 2013

Barry Wood
Director Assessment Division
Department of Local Government Finance
Indiana Government Center North
100 North Senate Ave. N1058 (B)
Indianapolis, IN 46204

Dear Barry,

We have completed the 2013 ratio study for Vermillion County's annual adjustment. We used every sale that was deemed valid for the period January 1, 2011 – February 28, 2013 including multi parcel sales and sales that were vacant at the time of sale but are now improved. The market in Vermillion County is static, the sales that are occurring, outside of family and forced sales, are not increasing but stable exhibiting more typical marketing times. No time adjustment was necessary for the 2011 sales due to the static nature of the market.

Residential Vacant and Improved

All the vacant residential parcels were grouped together with the improved residential due to the lack of viable sales and to ensure a better market area based on similar economic factors. This method was used in order to establish land rates using an adequate number of sales for an area rather than just 1 or 2 sales per township. New neighborhoods have been created for new subdivisions, row-type dwellings and mobile home parks and factors applied when necessary to bring the neighborhoods within IAAO standards. Foreclosed sales have been reviewed by neighborhood to determine if that was the normal market for the area.

For improved residential parcels, we concluded the following: Clinton Twp had an adequate number of sales and could stand on its own; Eugene Twp and Highland Twp were combined based upon location and similarity of economic characteristics; Helt Twp and Vermillion Twp were combined based upon location and similarity of economic factors.

Commercial and Industrial Vacant and Improved

The majority of Commercial and Industrial parcels are in one township and a very low level of sale activity is taking place. Because of the lack of sales Commercial and Industrial properties have been grouped together countywide to analyze the market trends. The extrapolation method and the land to building ratio were used to verify that the land was reasonable for the market.

Summary

The new cost tables had the most impact on Commercial/Industrial properties and neighborhoods were adjusted accordingly. All residential neighborhoods were reviewed and trending factors were applied accordingly.

We have included an explanation of sales that were originally submitted as valid and later deemed invalid. In addition, we included an explanation of sales that were originally deemed invalid and later deemed valid.

If you have any questions, please contact me.

Respectfully,

Patricia Richey
Vermillion County Assessor